

July 10, 2007

To All Concerned Parties

Name of REIT Issuer:  
 Nippon Building Fund, Inc.  
 Sadafumi Abe, Executive Director  
 (TSE Code : 8951)  
 Contact:  
 Asset Management Company  
 Nippon Building Fund Management, Ltd.  
 Koichi Nishiyama, President and CEO  
 Person to Contact:  
 Riichi Morihira, Chief Operating Officer  
 (TEL. +81-3-3281-8810)

## Notice Concerning Borrowing of Capital

Nippon Building Fund, Inc. ("NBF") hereby provides notice that the following was decided with respect to the resolutions adopted at a meeting of its Board held on June 26, 2007 concerning borrowings of capital and borrowings within its maximum short-term borrowing limits.

### Description

#### 1. Use of Capital

Refinancing of long-term borrowing etc.

#### 2. Details of Borrowing

| Lender                       | Amount Borrowed | Interest Rate | Scheduled Date of Implementation | Methods of Borrowing and Repayment                                       | Repayment Due Date |
|------------------------------|-----------------|---------------|----------------------------------|--|--------------------|
| The Bank of Fukuoka, Ltd.    | 4 billion Yen   | 1.89875%      | July 12, 2007                    | Unsecured, unguaranteed, repayable in one lump sum on repayment due date | July 12, 2012      |
| Taiyo Life Insurance Company | 2 billion Yen   | 2.12000%      | July 12, 2007                    | Unsecured, unguaranteed, repayable in one lump sum on repayment due date | July 11, 2014      |

#### 3. Details of Borrowings within its maximum short-term borrowing limits

| Lender                                      | Amount Borrowed | Interest Rate | Scheduled Date of Implementation | Methods of Borrowing and Repayment                                       | Repayment Due Date |
|---|-----------------|---------------|----------------------------------|--|--------------------|
| The Chuo Mitsui Trust and Banking Co., Ltd. | 9 billion Yen   | 0.82180%      | July 12, 2007                    | Unsecured, unguaranteed, repayable in one lump sum on repayment due date | August 31, 2007    |

End

This English language notice is a translation of the Japanese language notice dated July 10, 2007 and was prepared solely for the convenience of, and reference by, overseas investors. NBF makes no warranties as to its accuracy or completeness.



< Attached Materials >

- Status of interest-bearing liabilities following this borrowing.

< Balance of interest-bearing liabilities following this borrowing >

(Unit: billion Yen)

|  | Prior to Borrowing | After Borrowing | Increase/Decrease |
|--|--------------------|-----------------|-------------------|
| Short-term borrowings                                      | 37.5               | 46.5            | 9.0               |
| Long-term borrowings                                       | 164.0              | 155.0           | 9.0               |
| (portion of the above with repayment due within one year)  | 32.0               | 17.0            | 15.0              |
| Total borrowings   | 201.5              | 201.5           | 0                 |
| bonds  | 80.0               | 80.0            | 0                 |
| (portion of the above with redemption due within one year) | 0                  | 0               | 0                 |
| Total interest-bearing liabilities                         | 281.5              | 281.5           | 0                 |
| Total long-term interest-bearing liabilities               | 212.0              | 218.0           | 6.0               |

- (\* 1) Long-term interest-bearing liabilities do not include long-term borrowings with repayment (redemption) due within one year or the balance of bonds.

< Ratios of interest-bearing liabilities etc. following this borrowing >

|   | Prior to Borrowing | After Borrowing | Increase/Decrease |
|---|--------------------|-----------------|-------------------|
| Ratio of interest-bearing liabilities           | 44.8%              | 44.8%           | 0                 |
| Ratio of long-term interest-bearing liabilities | 75.3%              | 77.4%           | 2.1               |

- (\* 1) The calculation of ratio of interest-bearing liabilities occurs through use of the following method, and interest-bearing liabilities include bonds in addition to borrowings.  
Ratio of interest-bearing liabilities = interest-bearing liabilities ÷ (interest-bearing liabilities + common shares) x 100  
(the amount of “common shares” represents ¥346.4 billion.)
- (\* 2) The ratio of long-term interest-bearing liabilities = long-term interest-bearing liabilities ÷ interest-bearing liabilities x 100.
- (\* 3) Each ratio is calculated to the second decimal point with fractions less than .05 rounded downward and fractions of .05 and above rounded upward.

End